

doing but very meagre and partial justice to the beet sugar industry in Quebec it was not to be considered that the National Policy Government of Canada was in any way committed to the principle of bounty to that industry. This is not in accordance with the ethics of the National Policy. Mr. Foster should retrace his steps. He should avow it as a principle of his government that bounty should be given to the beet sugar industry. His party's pledges to the farmers require this.

SUGAR.

UNDER the Customs tariff which went into force on March 28, 1890, sugar, when imported direct from the country of growth and production, for refining purposes only, not over number 14 Dutch standard in color, and not testing over 70 degrees by the polariscope test, is liable to pay a duty of one cent per pound, and for every additional degree, shown by the polariscope test, three and one-third cents per one hundred pounds additional. All sugars above number 14 Dutch standard in color, and refined sugars of all grades and standards, are liable to pay a duty of one and one-half cents per pound and thirty-five per cent. ad valorem. During the fiscal year ended June 30, 1890, the quantity of sugar not over number 14 Dutch standard imported direct for refining purposes only, was 138,675,236 pounds, valued at \$4,155,956, the duty paid upon which was \$2,245,753, and that not imported direct for refining purposes, was 23,794,114 pounds, valued at \$716,209, the duty paid upon which was \$377,511. The importations of sugar above number 14 Dutch standard, and refined sugar of all kinds, grades and standards, was 1,035,868 pounds, valued at \$36,234, upon which \$30,337 duty was paid. The total quantity of sugar imported for refining purposes, was 162,469,350 pounds, valued at \$4,872,165, upon which \$2,623,265 duties were paid. This latter sum represents the sacrifice made by the Government by the removal of the duty upon sugar imported for refining purposes. The average valuation of this refining sugar was three cents per pound; and the difference between a fair allowance for cost of refining and waste in refining, and the refiner's price for the refined sugar represents the amount of protection afforded this industry. Under this new sugar tariff, whereby refining sugar not above 14 Dutch standard is admitted free of duty, and all other sugar pays a duty of eight-tenths of a cent per pound, the Canadian refiners demand about \$4.62½ cents per hundred pounds for their product. In the United States, under the McKinley tariff, all sugar not above 16 Dutch standard is admitted free of duty, and the duty upon refined sugar is only one-half cent per pound. It is probably true that refined sugar in the United States cannot be bought for less than \$4.25 @ \$4.50 per hundred pounds, but it is also true that the American refiners are sending large quantities of their refined sugar to Great Britain, where it is sold for \$3.70 per hundred pounds, the quantity of American refined sugar received in Great Britain in the first six months of this year, amounting to 58,828,000 pounds. It must have cost at least twenty cents per hundred pounds to transfer this sugar across the ocean, and this would make the price of it at American port of shipment not exceeding \$3.50 per hundred pounds; and when the American refiners force American consumers to pay \$4.50 per hundred pounds, it is evident they force their

countrymen to pay \$1 per hundred pounds more for it than what they sell it for in Great Britain. If, then, American refiners can sell refined sugar at \$3.50, why could not Canadian refiners produce it at the same price? But if this cannot be done, and if they require protection, surely a less rate of duty than eighty cents per hundred pounds ought to suffice. If Canadian refiners cannot refine as cheaply as American refiners, it is because their facilities are not as good; and if they are not as good, it is not because they have not been making very large profits in their business. If American refiners can sell sugar to Great Britain at \$3.50 per hundred pounds, they could also afford to sell it to Canada at the same price; and if Canadian merchants could buy sugar in the United States at \$3.50, it would pay them to do so, even if they had to pay eighty cents duty thereon, rather than buy from Canadian refiners at \$4.62½. Under the new Canadian tariff the domestic consumption of sugar is restricted to refined sugar, for no sugar not higher than number 14 Dutch standard is suitable for domestic use. In the United States, under the McKinley tariff, all sugar not higher than number 16 Dutch standard is admitted duty free, and this includes centrifugal and similar sugars which are well suited for domestic use, and which is largely used there, because they are about \$1.50 per hundred pounds cheaper than refined sugar. If the Canadian tariff had placed the limit of free sugar at number 16 Dutch standard, so that the masses of the people could obtain sugar that they could use for domestic purposes, and costing them a cent and a half less than refined sugar, the per capita consumption of sugar in Canada would be greatly increased, and at the same time this consumption would probably be twenty-five per cent. or more of all the sugar used in this country.

Another view of this sugar question is this: If the consumers of sugar in Canada were to receive the benefit arising from the removal of the duty upon refining sugar, or even a considerable portion of it, no objection could be raised to that removal; but as we have before shown, while the Government stands to lose the whole duty, the refiners are the only ones who are benefited, for this so-called free sugar is not suitable for domestic use; and the duty upon such sugars as are suitable, afford the refiners the opportunity to force consumers to pay very much more for their product than was ever intended by the upholders of the National Policy. As we have shown, American refiners can compete with European refiners in the British market, and while operating under almost precisely and quite as favorable circumstances, one-half the protection now offered by Mr. Foster would enable Canadian refiners to continue to heap up riches. But if the duty must be kept at eight-tenths of a cent per pound, where Mr. Foster thinks it should be kept, he should have allowed the Government to divide profits with the refiners by imposing a light duty upon refining sugars. This would not have closed the refineries nor yet have advanced the price of refined sugar, but it would have afforded a revenue of a million dollars or more to the Government. If the Government could find no other use for so large an amount of money, it could have been applied to the payment of the public debt.

A portion of this revenue, however, could, with propriety, have been appropriated to the payment of a bounty upon the production of beet sugar; and there can be no doubt that if a